Africa Growth Initiative at the Brookings Institution - Alliance for Financial Inclusion –Central Bank of Kenya

Mobile Financial Services and Financial Inclusion

16-17 May 2011

Executive Summary

Over the last decade, mobile phone use in Africa has increased dramatically, radically altering how people on the continent access and interact with financial services. Populations that previously had no access to financial services now use payments services and a growing range of financial services delivered via their mobile phones. Nowhere is the possibility and impact of mobile financial services (MFS) more apparent than in Kenya, where the M-Pesa product has fundamentally altered Kenyans' financial habits and shifted how development professionals and central bankers approach financial inclusion. Despite the demonstrated potential for increased financial inclusion for the region's poor, these services have yet to gain traction elsewhere in Africa.

On May 16 and 17, 2011, the Africa Growth Initiative (AGI) at the Brookings Institution, the Alliance for Financial Inclusion (AFI), and the Central Bank of Kenya (CBK) hosted a conference and a series of private workshops on MFS. Focusing on lessons that have been learned about implementing MFS, the conference brought together a mix of development professionals, MFS experts, central bankers, and academics.

In initial private meetings to launch the two day event, panelists voiced their interest and aspiration for MFS in Africa. Michael Joseph, Fellow at the World Bank and former CEO of Safaricom, set a high bar and observed that the Kenyan experience is not unique and that the successes in Kenya could and *must* be replicated elsewhere through faith and courage in innovation, from both the private sector and the regulator. If they are not, "we will have failed the people of our countries." Regulators from the central banks of Uganda, Zambia, Ghana, and Malawi pointed out their diverse challenges: slow uptake and growth despite e-money regulation and high mobile phone penetration, linking existing payments models to a safe environment for financial intermediation, and coordinating the regulation of MFS for banks and telcoms in a harmonized way.

Prof. Mwangi Kimenyi, director of the Africa Growth Initiative at Brookings, noted the goal for the participants was to develop ideas that could push the financial inclusion agenda for the unbanked in developing countries. Governor Ndung'u acknowledged the role of Central Banks as being agents of financial sector development and ensuring that financial inclusion is expanded in Africa given the low levels of access to affordable and sustainable financial services. Taking these together, Alfred Hannig, Executive Director of AFI, challenged the assembled group to identify policy initiatives that could have a ground level impact on financial inclusion. The conference met these goals, fostering not only innovative discussion, but also concrete steps for donors and government officials to advance the implementation of MFS systems worldwide and advance the goal of financial inclusion.

High potential for mobile financial services in Africa

Strobe Talbott, President of the Brookings Institution, opened the conference with a gripping statistic: in the first decade of the 21st century, the number of cell phones in Africa has increased 30-fold, from 16 million to 500 million accounts. However, while access to technology has grown, access to the formal financial system has not kept pace. Alfred Hannig, Executive Director of the Alliance for Financial Inclusion, illustrated this situation with the example of the countries of the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), where only 10.4% of the population has access to financial services while virtually every village in the region has access to mobile connectivity. These opposing trends have created a high-potential market in Africa for mobile financial services.

Africa has an environment conducive to mobile finance for a variety of reasons. Along with high rates of mobile phone ownership and a dearth of financial access, there is a general openness among policymakers to learning about and experimenting with novel products and technologies

that can deepen financial inclusion. Across the continent, new mobile platforms have allowed previously unbanked populations to securely transfer funds, pay bills, open bank accounts, and access basic insurance products. In some countries these technologies have yet to take off, while in others significant innovations are taking place. According to Governor Njuguna Ndung'u of the Central Bank of Kenya, mobile platforms have allowed financial inclusion to take root.

Access to finance not only provides significant benefits to the poor, it is also a boon to a country's overall economic health. Mwangi Kimenyi, Director of the Africa Growth Initiative at the Brookings Institution, pointed out that, "Even when there was the major economic crisis, African countries, particularly those that have adopted these new technologies, were able to continue to maintain a decent level of growth because of these mobile services." Alfred Hannig of AFI observed that the potential for mobile payments to increase GDP is greater now than ever before.

Conference participants agreed that mobile financial products must not be seen as a niche market to be used exclusively by the poor and financially underserved. Governor Ndung'u explained that, while "mobile money was made with the poor in mind, it is rapidly becoming a platform used by all segments of society." David Porteous of Bankable Frontier Associates noted that mobile money is, at its core, a payments platform and can be a key element of a nation's financial infrastructure. The development of this infrastructure, including technology-driven payment platforms, typically receives less attention than traditional infrastructure, but conference participants were emphatic that it should and could be a focus of national growth strategies.

At the conference, Kenya was presented as an illustrative example of how mobile financial services can become a central and transformative part of a nation's payments infrastructure. Four years after its debut, Safaricom's M-Pesa platform has 15 million active users engaging in 3 million transactions a day and transferring nearly $700 million a month. While M-Pesa was initially developed to allow person-to-person transfers, Safaricom has sought to broaden the type of financial products available through the network. Such second-generation products include a form of mobile banking (M-Kesho) offered by Equity Bank, mobile bill payments, and short-term insurance. Michael Joseph, Fellow at the World Bank and former CEO of Safaricom noted that M-Kesho account holders can access micro-loans based on their M-Kesho Savings Account history with Equity Bank and their airtime top up history with Safaricom.

Governor Perks Ligoya of the Reserve Bank of Malawi echoed a belief in the potential of MFS such as M-Pesa to benefit unbanked populations throughout Africa.

Approaching take-off and reaching scale

Despite this potential, many countries that have appeared to be good candidates for mobile financial services have seen anemic and often halting uptake. Banks and telecoms have been deterred by high initial investment costs, uncertain prospects for profitability, and a lack of enabling regulation. Some have pointed to demographic factors constraining adoption, with Tanzanian regulators noting that key variables are often the size of a country and its population distribution. Panelists identified constraints to scaling up MFS and how regulators, in conjunction with the private sector, could begin to address them.

Panelists overwhelmingly agreed that a MFS system requires a ubiquitous network of cash-in/cash-out locations, or "cash handling merchants", if it is to succeed. Michael Joseph identified this as a real challenge, since the development of such a network "costs money, and you have to do that before you earn any money." This high initial investment cost is coupled with an uncertain return on investment, with the business case for MFS differing between banks and telecoms. Joseph suggested that it is difficult to demonstrate profitability at the onset of launching MFS, which also makes it challenging for banks to argue the case for making such investments. Telecoms, on the other hand, see the return in three critical ways: protection of their customer

base, protection of their profit model by allowing for relatively higher prices than their rivals, and direct profits from mobile banking products.

Panelists identified certain challenges and "binding constraints," as well as recommendations to overcome them. Michael Joseph emphasized the importance of the private sector to have the courage to devote adequate resources upfront to ensure the product is a success. Priya Jaisinghani from the United States Agency for International Development (USAID) made the case that courage was equally important in government leaders and regulators. Carlos Lopez-Moctezuma of the Comisión Nacional Bancaria y de Valores (Mexico), and co-chair of the AFI MFS Working Group pointed out that a "lack of regulation is stopping private players from investing. If [a country is] not able to give certainty to private players, they will not be able to invest in mobile financial business models." James Bilodeau of the World Economic Forum took this one step further, stressing that results from their recent survey indicate that differences between *de jure* and *de facto* regulation are having a negative effect on the confidence of industry players.

Governor Ligoya noted that a common theme underlying all of these challenges was a lack of understanding, or financial literacy, among regulators, private sector actors, and potential customers, on many aspects of MFS. Finally, David Porteous suggested that, rather than attempt to replicate the unitary network model utilized by M-Pesa, models could be developed in which different players specialized in different aspects of the value chain. In this way, the high initial capital requirements of mobile banking systems could be reduced.

Drawing these recommendations together, John Page of the Brookings Institution highlighted three elements vital to the success of a mobile money system: a regulatory environment that makes it possible and attractive for the private sector to engage, courage on the part of the private sector, and access to technology and financial infrastructure.

The role of government: enabling regulation and beyond

Governments have a key role to play in both developing mobile finance systems, and in wider efforts to bring unbanked populations into the formal financial system. Alfred Hannig emphasized that the "role of policymakers and their leadership is crucial for successful financial inclusion strategies" and the financial crisis and position of financial inclusion on the G20 agenda provide a unique opportunity for this leadership. Governor Ndung'u stressed the important role of government in managing the transition to mobile and electronic payment platforms and highlighted the role of regulators as agents of development. He noted that financial inclusion through mobile channels is already changing the structure of the financial system in Kenya. However, it is generally agreed that overly cautious regulators can impede the development of mobile finance, whether due to an aversion to risk or a lack of understanding about new technological platforms and business models.

Maria Otero, the Under Secretary for Democracy and Global Affairs at the U.S. Department of State, noted that, to break this impasse, "you need champions within the government that have vision and can move this from ideas into policies and then into practice." She went on to stress that governments can drive the development of mobile finance in three ways: as regulators, catalysts, and conveners. Ms Otero also argued that "government must play a proactive role in the promotion of financial inclusion, via the fostering of enabling environments" through regulation and policy.

Regulators

The regulation of mobile banking poses a coordination challenge because, as a hybrid product, mobile banking is subject to oversight by both telecommunications and financial regulators. Governor Ligoya noted that this "interagency coordination is often the key barrier [to the development of mobile finance regulation], whether it be between the central bank and the

Ministry of Justice or Ministry of Finance." Intergovernmental coordination is also vital because responsibility for many of the necessary elements of mobile finance, such as national identification and financial inclusion metrics, are shared by a range of government agencies.

Another key point made at the conference was that it is critical for the financial regulator to be the lead entity overseeing the safety and security of systems for MFS. Carlos Lopez-Montezuma pointed out that, "despite the participation of telecoms in the mobile money field, at the end of the day these are financial transactions." Governor Ndung'u pointed out the commitment of the central bank to ensuring the security of the system and highlighted the heavy investment made by the Central Bank of Kenya to meet this objective. Representatives from the central banks of both Ghana and Kenya favored a partnership between banks and telecoms in part because they could apply existing regulations to new mobile products.

At the same time, Charles Njoroge, Director General of the Communication Commission of Kenya (CCK), highlighted the complementary role telcom regulators, such as the CCK, have in ensuring networks are built that enhance cyber security and withstand hacking, while remaining accessible to consumers. The CCK has fostered innovation by streamlining licensing to encourage new entrants and new products. The continued innovation in the mobile sector and the resulting security challenges require that regulators maintain a dynamic relationship with telcoms in their market. Mr. Njoroge emphasized the need to forge active partnerships with other government regulatory agencies, as the cross-cutting nature and usage of information and communications technology requires a comprehensive government approach.

David Porteous argued that, "if mobile finance models are to evolve, there needs to be a stable regulatory framework, with a commonly understood set of rules, so that people are willing to invest." In Kenya, M-Pesa has thrived despite the lack of a payments system law addressing the mobile sphere. However, Governor Ndung'u stressed that while Kenya had draft regulations, a firm legal framework must be developed in order to give confidence to the market and promote innovation. He pointed out that a well-designed regulatory system would readily identify vulnerabilities as well as encourage prudent behavior among private sector actors.

Conference participants learned that, in the best of cases, the development of effective regulation is predicated upon a close working relationship between the regulator and the company offering mobile payment products. James Bilodeau of the World Economic Forum termed these situations "safe harbors" in which specific regulations are in place and a certain amount of room exists for private companies to maneuver while they engage in dialogue with the regulator. Michael Joseph noted that such a collaborative relationship existed in Kenya between the Central Bank and Safaricom. "In Kenya, we have a regulator that is looking to see how they can provide financial services to the poor without finding regulations on why they should not have these services."

Catalysts

Aside from regulating, governments can also help to catalyze the use of mobile financial products. Priya Jaisinghani argued that, "In mobile money and mobile banking, there is actually a very proactive, helpful role governments can play beyond simply letting the market run." By disbursing salaries, pensions, and welfare payments via mobile phones, governments have enormous potential to accomplish financial inclusion goals and drive uptake in mobile finance. Carlos Lopez-Moctezuma focused on how governments can utilize government-to-person (G2P) transfers to speed this uptake. Bundled together, he said, the payments can help to reassure prospective mobile finance providers that mobile financial services will be utilized. Mexico is developing a network of agents to disburse funds as part of its conditional cash transfer program, "Oportunidades" while donors USAID and the US Treasury indicated their plans to support MFS initiatives with their own disbursals. David Ferrand of Financial Sector Deepening Trust noted that a mobile delivery channel is often the least expensive way to provide G2P cash transfers. The conference also learned how the movement from cash to mobile payments can have a powerful impact on a government's anti-corruption and transparency efforts. As Governor Ligoya noted,

the Government of Malawi was moving toward paying civil servants electronically in order to uncover “ghost workers”.

It is also vital that international standard-setting bodies become involved in enabling low-risk transactions through mobile finance, to allow national regulations to be adjusted. Entities such as the Basel Committee on Banking Supervision and the Financial Action Task Force (FATF) have a key role to play in developing new standards that support financial inclusion. Mark Pickens noted that while FATF has done a lot to define high-risk transactions, it has not been nearly so rigorous in defining low risk transactions. Maria Otero noted the importance of addressing “know your customer” (KYC) standards to develop and expand low value bank accounts.

Conveners

Finally, Under Secretary Otero noted that governments have a convening role, bringing together key players and sharing information on successful strategies. She stressed the importance of bringing together government agencies with both private sector actors and international organizations such as AFI. Claire Alexandre of the Gates Foundation emphasized that “Private and donor interaction should not be solely through grants, but through the ability of donors to collect and share best practices and experiences.” She pointed to the importance of creating platforms through which regulators from developing countries could interact and share information. Governor Ndung’u highlighted the importance of networks like AFI and Brookings “to allow us to share experience in policies and process. How else can we borrow from others’ knowledge base?”

The transformation of payment systems

Whereas conference participants viewed mobile financial services as a very effective tool for promoting financial inclusion, some argued that regulators should see it as only one of a range of new technologies and products that are transforming financial habits in Africa. David Ferrand noted that MFS represent just one piece of a wider system of payments in the financial sector and should be well-integrated in the system. Deputy Governor Narh provided an account of the Bank of Ghana’s experience with this approach, explaining that the Bank first identified gaps in the existing payments system and then created the regulatory environment by passing a payments system law, the Electronic Transactions Act, the Anti-Money Laundering Act, and the Borrowers and Lenders Act. In other countries, such as Kenya, the central bank has enabled MFS through draft regulations that are currently awaiting the passage of the National Payments Systems Bill. In the meantime, MFS are still under the watchful eye of the country’s central bank, the custodian of the financial sector.

David Porteous suggested that the success of MFS in Kenya should be interpreted as a paradigm rather than a model. Although there is much to learn from the relentless commitment to enabling new business models and the regulatory courage and leadership exhibited by the CBK that have allowed MFS to thrive in Kenya, he pointed out that other markets may need to adopt different models to reach scale. Porteous highlighted three factors needed to enable MFS: the legal environment for the creation of cash merchant networks, the regulation that allows those with the best business case to legally issue electronic stores of value and finally, legal provisions that allow the issuance of new payment instruments to ensure that mobile payments are not isolated and allowed to reach their full potential.

David Porteous argued that these new models will include specialized entities that could perform one of the aforementioned functions. New players will require legal and regulatory certainty to emerge. However, some regulators are still addressing early-stage challenges of definition. Claire Alexandre of the Bill & Melinda Gates Foundation emphasized that first, it is essential that at the outset mobile payments be defined by regulators as payments rather than deposits for takeoff. Deputy Governor Luis Kasekende of the Bank of Uganda expressed concern that the distinction

between “bank led” and “non-bank led” is still relevant for regulators who are concerned about intermediation outside the banking sector.

New players, models, and innovations require regulators to identify and understand a new set of elements and risks, and determine how to integrate different products and providers most effectively. Stephen Mwaura, from the Central Bank of Kenya, pointed to the partnerships and the convergence between products offered by banks and telecoms. As institutions from the different industries are coming together, the regulator can identify ways to synchronize this convergence. In some cases, the government has taken a proactive role in integration, as in Ghana, where the central bank financed the acquisition of a common switch in order to ensure all mobile payments were cleared through the same mechanism.

Raymond Estioko of the Bangko Sentral ng Pilipinas and co-chair of the AFI MFS Working Group made it clear that the benefits of MFS also come with risks that must be monitored and mitigated. Stephen Mwaura emphasized the need for clarity in assessing and mitigating the risks of new models, as well as having a critical mass of people at the central bank or supervisory body with specialized skills to assess these risks.

Toward a “cash-lite” world

Whereas mobile finance may have started off as a secure platform for transferring funds between individuals, as it has matured, it is being used increasingly for payments between customers and business, and between governments and their citizens. If this trend continues, hard currency could cease to be the favored medium of exchange in countries that enjoy mature systems for MFS. Deputy Governor Kasekende noted that not only is mobile banking growth enhancing, but financial innovation over the medium term could lead to either a cashless or “cash-lite” society.

Kasekende indicated that the move to virtual money might impact the demand for money. Furthermore, the Deputy Governor questioned whether the advent of MFS undermines the ability of a central bank to exert control over aggregate demand and monetary policy. Governor Ndung’u pointed out that innovations in the payments and banking sector have, over time, affected the relevance of the money multiplier as a tool of monetary policy. Therefore, it is necessary to assess the impact of MFS on the money supply or the velocity of money, and, with the support of researchers, identify new monetary policy tools to deal with this changing environment.

David Porteous identified scaled-up MFS as a means to a “cash-lite” society: “a world in which electronic payment instruments are pervasive for broad categories of transactions, a world in which, for governments as much as for individuals, the costs of transactions comes down dramatically.” He continued by laying out the three elements necessary for a cash-lite world to emerge. First are nearly ubiquitous cash handling points. Second, everyone must have access to electronic stores of value, either a bank account or a mobile wallet. Finally, the payment instruments that are utilized must be affordable and reliable.

Interoperability

A challenge in MFS is the lack of interoperability between products issued by different providers in one market. Michael Fuchs of the World Bank noted that competing service mechanisms lead to an increase in friction in retail payments which in turn reduces the economic growth potential of MFS. This has led to calls for regulators to enforce interoperability within their markets. Conference participants roundly rejected such a proposal. Governor Ndung’u pointed out that mandated interoperability was, at heart, a strike at the proprietary rights of the companies engaged in the market. He warned that challenging those rights risked destroying the MFS market. James Bilodeau agreed: “network effects and low margins [make it] very difficult to enforce interoperability in a commercially viable way.” Michael Joseph was more optimistic,

suggesting that there will be interoperability of platforms at some point, but it will likely take time due to the importance of protecting investments made by private sector actors. Mr Fuchs also acknowledged that "there is an opportunity for common platforms on the payments side in smaller markets" where this issue is critical for outreach.

What can donors do?

Some donors have played a unique role in the development of mobile finance. The UK Department for International Development (DFID) helped to fund the development of M-Pesa, while organizations such as the Gates Foundation have used innovative grants to spur the rollout of MFS products. However, Mark Pickens of CGAP noted that money does not appear to be the binding constraint in MFS as it was in microcredit, since "80% of the $400 million that have been invested in branchless banking since 2005 are private." Hence, the question was posed, "What roles should donors assume and which types of projects should they prioritize?"

David Ferrand noted that donors still had a role to play in encouraging the private sector to engage in activities where there is radical uncertainty as to the existence of the market. Claire Alexandre of the Bill & Melinda Gates Foundation agreed, noting that utilizing a novel, prize-linked mechanism had been successful in encouraging MFS deployment in Haiti. However, she stressed that "the intervention should really be in places in which there is something to be fixed." Ian Solomon, U.S. Executive Director of the World Bank, insisted that the tendency of donors to push a favored solution to a problem had to be halted, with more attention paid to why certain endeavors, such as mobile enabled finance, succeed to the degree that they do.

Mark Pickens indicated that the players involved in financial inclusion have shifted over the last two decades, with new private sector players such as MNOs taking a large role. Given that the focus of these institutions is not low-income clients, he urged donors to be willing and able to engage with the private sector, something that "donors are not good at." He identified three areas that could benefit from donor funding: creating open source information platforms focused on common challenges in achieving scale; assisting in the identification and mitigation of binding constraints to spark faster movement toward serving low-income customers; and using G2P payments to drive the development of a MFS business model based on a large volume of transactions.

Ian Solomon posited four key roles for development partners. First, donors should help to create an enabling infrastructure for emerging technologies and innovations. Second, they should address market information gaps, not just among private sector actors, but also for governments as they figure out what their role should be. Third, donors need to support appropriate regulation, allowing MFS to promote financial inclusion as a safe, sound, and effective way to empower the poor. Finally, Mr Solomon suggested that donors need to become much more creative and support innovation, while realizing that sometimes the best course of action is no action.

Regulating to unleash the financial inclusion potential of MFS

Through the rich two-day discussion, vital lessons crystallized for moving the MFS agenda forward in Africa through regulatory leadership.

First, financial inclusion via mobile technology should be embraced as a sustainable way of dealing with poverty. Central Banks, in particular, must adopt this priority and engage to scale up existing services in their markets. The development and adoption of second-generation financial services, namely the movement from the provision of money transfers into savings, credit, and insurance, is critical for financial inclusion. Both regulators and the market must work in coordination to ensure this outcome. The provision of such services will greatly deepen both the nature of financial inclusion, as well transform the relationship between traditional financial service providers and the societies they serve.

Second, to execute this, regulators must embrace a broadening mandate for financial sector development. This includes financial inclusion and supporting issues of consumer protection, financial stability, innovation, and fostering of innovative business models that can reach scale. This array of issues can only be addressed by government regulators thinking holistically and acting together. It is critical that the development of innovative financial products neither be stifled by a lack of regulatory courage, nor by an aversion by the different regulatory entities to collaboration. This must come with an acceptance that innovation will often precede regulation.

Third, telecoms are motivated by a unique business case in mobile finance products: a need to retain clients (reduce churn), protect their income streams, and also generate profits. As policy makers and regulators seek to incentivize mobile finance as a tool for financial inclusion in their countries, they must take this value proposition into account. A comprehensive understanding of stakeholder needs and value propositions will support regulators in incentivizing market uptake and fostering partnerships or the convergence of banks and mobile payment platforms.

Fourth, central banks must recognize the advent of technology driven financial products presents a need to understand the likely influence on monetary policy. A better understanding of this impact will inform the creation and adoption of new tools and new targets for monetary control. However, the key challenge for Central Banks, and for the research community, is in understanding the nature and scope of how mobile finance impacts monetary policy.

Finally, at the international level, standard setting bodies such as the Basel Committee on Banking Supervision, the Committee on Payment and Settlement Systems and the International Association of Deposit Insurers need to accommodate financial inclusion in their own mandate to ensure the standards laid out do not stifle innovations in financial inclusion. Regulators with a financial inclusion prerogative have a role to play in engaging with these bodies to make the case for these provisions.

Next steps

To ensure that the momentum and lessons generated by the conference drive future developments in the mobile finance arena, three follow-up initiatives were agreed upon. First, a push for concrete plans for financial inclusion in Africa centered on the unique objectives and priorities identified by policymakers and regulators. Alfred Hannig stressed that these goals should be self-determined and focuses on adopting second-generation MFS that introduce a wider range of products through partnerships.

Second, conference participants identified a need for additional academic research on MFS that would support policymakers with the knowledge and evidence for effective regulation. Governor Ndung'u stressed the importance of regulators' knowledge keeping up with new developments in technology. Governor Ligoya indicated that delays in financial reforms are often due to a lack of understanding within the finance ministry on the reforms being put forth. He noted, "If we don't understand these things within the ministry, then there is no way we can enable the Minister of Finance to push for them." Governor Ndung'u also highlighted the importance of researching how the increasing ubiquity of innovative financial products has, and will, impact monetary policy. Conference participants viewed the Africa Growth Initiative at the Brookings Institution, and their associated network of think tanks and researchers in Africa, as ideal partners to foster this research. Some of the topics identified for further investigation included the macroeconomic effects of MFS and their relevance to monetary policy, the impact of inclusive finance on economic growth, and questions of political process and political economy related to enabling MFS.

Third, AFI pledged to support regulatory advancements among regulators and policymakers striving to enable MFS. Through the AFI Mobile Financial Services Working Group and other tools, AFI proposed supporting a MFS in Africa Compact for policymakers. Activities and services would include supporting the formulation of individual country objectives, offering a mechanism for peer reviews of existing and emerging regulation, continuing dialogue with standard-setting bodies, helping to establish national platforms for public-private dialogue and finally, providing clarification of key issues and risks needed to enable MFS. An Africa-focused dialogue on MFS would benefit from the steering and active insights of the CBK, architects of the “Kenya paradigm” and their continued regulatory journey.

To this end, AFI, AGI, and CBK suggested convening an event of roundtable meetings focused on MFS in Africa. The summit, held in Africa, would bring together regulators and relevant stakeholders from the continent to share experiences and challenges, and to provide support for regulators and policymakers to reach their MFS objectives and expand financial inclusion. The summit proposed for early 2012 would also review progress in MFS by interested African countries since the Brookings Conference in May 2011.